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L E T T E R

T O

A late popular Director.

J. R. T. E. R.



Handwritten signature or mark, possibly 'J. R. T. E. R.'

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L E T T E R
T O

A late Popular Director,

RELATIVE TO
INDIA AFFAIRS,
AND THE
PRESENT CONTESTS.

Proprietor
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L O N D O N:
Printed for G. KEARSLEY, in Ludgate-Street.
MDCCLXIX.

LETTER

TO

A late Popular Director

RELATIVE TO

INDIA AFFAIRS



PRESS ON TESTS

LONDON

Printed for G. K. ...

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L E T T E R
T O

L----- S-----, Esq.

S I R,

AS you have been the most active person in power, since the great revolution of the company's affairs in Bengal, in the year 1756, which I think was about the time you first sprung to power; and for several years held the LEAD with almost an absolute authority, it has occasioned different interests to maintain different opinions as to your abilities and veracity. These are divided into three classes, viz. your friends, your opposers, and those proprietors whose interests are inseperable from the company's; which last have become the bubble of you and your colleagues. This I must explain,

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for

for though you, your friends, and opponents must understand me, I doubt if the unwary and dependent stockholders do. The In's and Out's, Sir, is a term generally understood, and may serve to elucidate this; yet there is somewhat more than *merely* being *in*, that is both yours and their aim; the *chair* and its *succession*.

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the *disposition* of governments, &c. &c. &c. may be in your power, and that you may maintain the honour and splendor which such a field opens to your view. This may clear up a little of the mystery; but since from the concealment of truth, or confounding it with *unintelligible* relations, which by fresh matter daily arriving, the ideas of people, who have no other knowledge but what centers in the rise and fall of stock, must be greatly obscured; I will endeavour to remove the mist that at present clouds their sight, by developing some truths whose force is too strong to be resisted. For this end, I must propose a few questions to you, which

which the public and proprietors will expect you to answer.

The choice of directors was, and still is, in the body of the *proprietors*; the appointments abroad, and plan of conduct, in the court of *directors*: this I take to be the basis of our institution. Contests at home, since the union of the two companies, were, till very lately, unheard of; and as the court of directors, and the councils abroad, so strongly depend on each other, our foundation once shook, if not timely assisted, the whole fabrick must fall. You, Sir, was some years in the house, before the troubles at Bengal broke out, and marked the æra of your power by that universal transition you made in the company's affairs, which has brought them almost to the verge of ruin. The first material division we meet in this house, was on that motley establishment of four governors; for this, though you removed your friend, who introduced you, instead of censure, you got credit: but that these divisions have been

kept up, and our system of *trade* changed to a scene of *war*, is intirely owing to your management. The experience of more than a century and a half confirmed the wisdom of former directors in seldom, if ever, breaking through the regular succession abroad, except when ability or veracity were wanting: fame and fortune then attended the chair; but from being *assistants*, are now become *adversaries*. The sending out young lads at 16 years of age, and classing the servants under several denominations, was a prudent measure, and necessary to give them a competent knowlege of the several offices, branches of trade, customs and government of the country, to qualify them for the supreme seat. In this situation they patiently waited for preferment, and were contented with whatever contingencies of fortune happened. But seeing in an instant (as Mr. Holwell observes)

“ themselves deprived of that rank and
 “ those rising benefits which were justly
 “ esteemed a spur to their integrity
 “ and

“ and application, they must lessen that
 “ spirited zeal so very essential to the
 “ well-being of the company’s affairs;
 “ the neglect of which, in the end,
 “ will prove the destruction of them.”

There was, it must be admitted, some necessity, from the situation of things at Bengal, to yield to the people’s election of col. Clive for their governor; but, instead of bringing affairs back to their former channel, as it will appear might have been done, before colonel Clive quitted the government, your power served only to inflame matters. You cannot pretend ignorance of the first treaty with Suja Dowlat, and the several alterations thro’ which it passed to the establishment of Meer Jaffier in the subahship, nor review them without being scandalized at the iniquities they are replete with. As those matters will fully display the springs of all our misfortunes, I shall, when I come to treat of the trade, present them to the public inspection. At present my design is, to shew by what means these contests are kept

kept up, and how far you have been, and are still, instrumental to them.

Recollect the letter you wrote, that drew so severe a reply from the colonel and council, and which was stigmatized with being proposed to be burnt in the *most ignominious* manner. Did not *this*, and your appointment of a *stranger* to that government, cause the principal servants there to resign the service?

Did you not write to the several settlements, that the servants were not to look on the government as an inheritance?—And, as a proof of it, that neither seniority, ability, or veracity should be a claim.

Did you not send a person from being a *C—pl—n of a M— of W—*, to be governor of Madras?

This change was too flagrant, to remove *one* brother to provide for the *other*; and the affair of Ashburton too recent to be forgot.

I am apprehensive, Sir, that the fame which party has industriously bestowed on you, will vanish on a closer examination.

Your *zeal* to the *welfare* of the *company* needs no other *proof* than your *exaltation* to a *seat* in *parliament*; and *liberality* in proposing to *give away* the annual sum of 800,000*l.* of their property.

But to return, and examine by what gradations things have been brought to the present crisis; I assert, (notwithstanding a principal actor and elaborate writer denies it, when politically considered) that the alterations of the mode of trade, and new regulations in the person of a perpetual zeminder, since that impolitic and severe treatment of the servants, have been the source, and still keep up the spirit of discord abroad, and are the cause of great contentions at home? as peace must be established *here* before it can be *abroad*, and in this the servants are so materially concerned, it is proper to shew how they have become so formidable in our general courts as to occasion very loud complaints. To you, Sir, the principal cause is imputed, and not unjustly. The violence done to
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the rights of those who fell victims to your early power and resentment, and the partiality to those who have been promoted and flourished under your influence, and those who have succeeded under the present set of directors, has been a matter of great moment to the public. Parties are dangerous in all communities; nor does it require the skill of divination to see by the *greater* how the *less* is governed. Pursuits of the same measures maintained still by your party in the house, in their removes and appointments, and though not so largely, yet still yielding to the eager hand of —, shews, that not the *proprietors' interest*, but *your own dominion* is *consulted*, should you and your party succeed; and therefore it highly becomes the attention of the proprietors, at the ensuing general court, to *check* the accumulating power, by any lavish dispensations of their property.

I cannot dismiss this without making some further observations respecting our territorial possessions.

Amidst

Amidst all our success, should we acquire the dominion of the whole Mogul empire, it could not be good policy to maintain it: I know nothing we want but a *maritime trade*; this was the original plan we acted on, and to *support the trade* properly would bring all the wealth to this nation that could be desired or expected.—To defeat the encroachments of an European competition, and maintain our rights, is just; but to carry them farther is neither equitable nor prudent. Those who have the management of affairs in Europe, should set bounds to the power of their servants abroad; and the several companies rigidly adhere to correct any error in their conduct. For if ever they adopt a plan from abroad from this instance it will be seen the dangerous extent to which it may be carried, and the difficulty of stopping it; for they must cease to direct the moment they resign their judgment; I mean by this the trade by *gomasters*, and *unlimited power* in the *zemindary*, empire in India can be of no

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benefit

benefit to any European power; it is *trade*, not *sovereignty*, that it is our interest to pursue, and the *change* of *our own* manufactories for *theirs*, by which *only* it can be of advantage. These conquests cannot *promote*, but must *destroy*. The interest cannot be on *one* side; our emoluments and those of the natives must be *reciprocal*. That this is not the case at present is evident. What of our manufactories are sent out equal to the returns? We send no money, neither have we done so for near ten years past; every foreigner has been supplied by us, China and every other settlement, during all this time. From whence has this arose, but from the *reservoir* of these several *fountains* of trade that are now *stopped*. The natives contributed much to this while they had the privilege of a foreign commerce, but every interest has been swallowed up, in that of *individuals*, till, by slow degrees, trade, with the people (as has been the case on the other side of India) will entirely desert you. As trade decays, the revenues

nues that depend on it must sink also. We have long flourished on the wealth that has been accumulating in the times of *tranquility*: it is not many years since Nadir Shah ravaged and carried from thence immense treasure; but let it be remarked (with proper observations that may be drawn from hence) his stay was very short; and if it be considered what has been dispersed to China and other parts within these ten years, what must have been buried and lost in the late revolutions, and what the transition from an European to a native government must produce, it is easy to see in what manner and how soon it must end. I have unavoidably been lead into these remarks instead of pursuing what I at first proposed, a view of your conduct, but as they are digressions that must assist every proprietor in forming a judgment of it, by proving a *defect* in your *understanding*, or somewhat *worse*, since the power was with you to have remedied those circumstances; but by *your* example the *direction* and *proprietors* are so

far *divided*, and g——t so much misled, that it appears as if each had a *different* interest.—But to return to my interrogatories.

What fund, pray Sir, after all debts are paid, will there be, to pay the government 400,000*l.*?

Is the *dewane* like to be permanent?

Can you hold your present dominion independant of the Mogul?

Will the produce of trade, should the *dewane* fail, enable the company to fulfil their engagements with the government?

Can you reduce the military and gar- rison expence; and how long can you carry on your trade without sending money abroad?

Is the interest of the government so far separated from that of the company, that the ruin of one will not affect the other?

Was it a motive of *public* or *private* weal that set the example of splitting stock; and if the proprietors' and direc-
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tors' interests are mutual, what necessity is there for it?

We now see another plan. Your first proposal was to give 800,000*l.* to government, without the mention of any dividend being made. This last plan is to give 400,000*l.* or 500,000*l.* and then to have liberty to divide 12 1-half *per cent.* it is easy, from hence, to see *where* you look for support; but the greatest, will be from the general confusion and disorder in every department.

How many are brought to your aid by the promise of providing for them, or their connections, abroad and at home, in the civil, military, marine, offices, warehouses, and trade! How many, to screen their actions, or obtain from your successes what has been repeatedly refused by other courts?—What is this, then, but employing the arms of the proprietors against themselves, subjecting the company to m——l influence, and doubling your own force to establish a dictatorial power?

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It is to be hoped the proprietors will open their eyes, and, 'ere it is too late, put a stop to this growing evil, by some fixed and immutable laws for the better government of every branch of their service.

Be bold and sensible in your replies, which are the characteristics of honesty; and explain your opinion of there being a moral certainty that 400,000*l.* instead of 500,000*l.* with an increased dividend as you proposed, can be paid to g——t, and how long? Make a clear state of the debts and credits, (exclusive of the dead stock) that both the government and proprietors may be satisfied. This only can justify your conduct for so liberal a concession.

Amongst the few that encircle the chair, there are *some* that have shewn their dissent from these measures, but their power has been too weak to restrain them; the scale preponderating where m——l influence is combined; nor is it likely, unless the proprietors exert themselves, they will be put into
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the next list from not acceeding: instead, therefore, of *twenty-four*, we see the whole property of this company centre in *three* or *four* people.

- If my memory does not fail me, there was no mention of any difficulties in the company's affairs but at Madras; all which vanished in the brilliant account delivered to the court, by that ingenious and diligent scrutator of yours; but you must give me leave to present you and the proprietors with a more just and clear prospect of their affairs throughout India. Is not Persia overwhelmed with troubles, the whole coast of Malabar in arms against the same enemy that harrasses the coast of Coromandel, and has he not already interrupted the inland commerce of that coast? Is not the nabob on the Coromandel coast obliged to mortgage fundry provinces to satisfy the company's demands, and those of their more unsatisfied servants? Is not the Nabob of Bengal an absolute vassal of the company's; and is not Suraja Doulat ready to break in on you the first moment he has power?—What must be the consequence of

of this? can it be supposed that such an extent of empire as that from Persia to the Ganges, will receive laws from, and be beggared by, a handful of Europeans? For, as this is a just picture of the state of the country and company's affairs, reconcile it if you can, that these territorial dominions, so much boasted of, where no mines of silver or of gold are to be found; and where trade hangs its head, can long support those golden visions you have formed in your own mind, and in the minds of those you influence. It is a subject I could wish anticipated, by a timely receding from the dominion we have acquired. Delineating what these countries have suffered from our misconduct, I am clearly of opinion this might be so conducted, if these chains of venal interest did not destroy it; that the nation, company, and individuals, might be benefited, the native government restored without danger, trade return with splendor, the natives be made happy, the justice of this country regain something of its original lustre, and no disputes happen

happen hereafter whether territory be a right of the crown, or of the company : But however clear the plan, I despair of seeing it adopted ; for ambition is insatiable, and dominion reflects such a gilded prospect, that I foresee both the g——t and public looking only on the superficies, will involve those countries and the company in one universal ruin.

I am not, nor ever will be, of *any party*, but of that which is for supporting the dignity and true interest of this company, to which only that of the nation corresponds. For whatever alarms the minions of power may spread, he is the truest friend to his king and his country, who looks not to the present minute, but to futurity. The revenue of 1,700,000 *l.* annually paid by this company, is too considerable for government not to be very circumspect how they adopt a speculative plan ; for however it may gratify their present necessities, it may hazard, and is even big with, fatal consequences.

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Such an uncommon assertion as was delivered by an honourable knight in plea for the general court's acquiescence to the expectations of government, hardly deserves a comment. That stocks should sink 100 *l. per cent.* for not lavishly giving away a sum, that, before two years are past, we may stand in the greatest want of, is a very singular paradox.

I equally dissent from those who would insinuate the disposition of g——t to distress this company, in case of refusal, of those compromises betwixt the proprietors and government to decoy the general voice in favour of it. I hope the proprietors will not listen to those impotent advocates for the state, who would display their liberality by giving them 400,000 *l.* only by way of promoting the good of the company's affairs, and yet, with a seeming attention to the proprietors, not to increase the dividend at once to 12 1-half *per cent.* Again it is pretended, that, in case of
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a war (though I think other accidents from the troubles abroad should be guarded against) that the government, as well as proprietors, must proportionally reduce their claim; these are such confused proposals, that, after a moment's reflection, I think the weakest man living, unless biased by some *particular* influence, would not venture to promulgate them. Here are so many evidences both of imprudence and injustice, either to give to government or to encrease the dividend, that it fully implies the absurdity and impropriety of the intention, and strongly argues against the executing it.

The most prudent maxim to be pursued, is, to act *at present*, as you may continue to do *hereafter*. You now divide 10 *l. per cent.* and if you will attend to the restoring tranquility both at home and abroad, be masters of your affairs *there*, and *enforce* obedience to your orders, that you may *continue* it; and I must beg leave to remind the
court

court of directors, that, should any body of proprietors have so great an ascendancy in a general court, as to carry contrary measures into execution, (however it may favour their own wishes in the present moment) not one who now presides, but may feel the rashness of yielding to the *force of party*: the cries of the *injured* will be loud to the throne, and the directors too late may see their error. The good of futurity stands or falls by the *present* determination, and how you who have been, and are so material an agent, can think to escape the resentment of an injured body of people is past my discernment; for should your proposals take place, I will venture to say, the disagreeable event would not be far distant. You and some others may persuade yourselves that g——t will abate of its claim in case of any *unexpected alteration* in India; but are you not to promise securely and certainly, that money may be raised immediately on it; in that case let the proprietors be
ruined;

ruined; if there are assets g——t will be paid.

Much has been said about the renewal of the charter, that *besides* the 400,000 *l.* for five years, a *further very large* sum would be expected with some alterations in the charter. Is not this strange! the trade as it now stands and is conducted (if trade alone is meant) is not worth one penny, and can be no greater advantage to government, than as it now is in a company; and as to the revenues from the territorial possessions, whenever they drop, let it be sooner or later, the decline will be visible.

I am not stimulated to these observations from any motives but those of general good: whatever I have pointed out here, has been to shew the steps that have introduced, kept up, and must perpetuate our dangerous disorders; and that unanimity only amongst the court of directors, and a zealous attachment to the welfare of their constituents, are the best proofs they can give to their king and this constitution.

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The different parts taken in the direction, which so evidently appeared in the last general court, should make every proprietor be on his guard. I can see no reason for exultation on the discovery that the annual account was reduced 1,200,000*l.* since the real interest of the proprietors could not be injured by it; it may serve indeed to recommend the party that valued themselves on it, to the g——t, but I think cannot to the proprietors.

In the course of this letter I have trod in a different path from this gentleman; for I mean, in these few loose thoughts, to make *truth* and *public good* my *sole* guides, and to shew, by a *wise, prudent, regular* management, a strict attention to the *spring* of those disorders, to *trade*, and not to *dominion*, must *confirm* the present flourishing state of this company; these steps pursued, g——t will be sensible of the company's inability to comply with their suit, and the directors will be left both leisure and power to pursue what is necessary.

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In a future essay I will endeavour to examine and *unveil* the truth of your administration from the commencement of the troubles abroad; and I doubt not shall find means to develop the political system of a noble lord, respecting our conquests; consider the general revolution, and unsettled state throughout the whole of the company's affairs, and point out the only means that are likely to restore them.—Till then I may remain

A PROPRIETOR.